

# Georgia Real Estate License Law Practice Exam (Sample)

## Study Guide



**Everything you need from our exam experts!**

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# Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

**Remember:** successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

# How to Use This Guide

**This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:**

## **1. Start with a Diagnostic Review**

**Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.**

## **2. Study in Short, Focused Sessions**

**Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.**

## **3. Learn from the Explanations**

**After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.**

## **4. Track Your Progress**

**Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.**

## **5. Simulate the Real Exam**

**Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.**

## **6. Repeat and Review**

**Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.**

**There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!**

## Questions

- 1. When must a brokerage notify the commission about the establishment of a trust fund account?**
  - A. Immediately upon creation**
  - B. Within 30 days of establishment**
  - C. Before opening the account**
  - D. Only if requested by the commission**
- 2. Who appoints the members of the Georgia Real Estate Commission?**
  - A. The public, by election**
  - B. GREC**
  - C. The Georgia governor**
  - D. Georgia Senate**
- 3. What must a licensee do if their license has lapsed for more than five years?**
  - A. They can reinstate with a fee.**
  - B. They must retake the licensing exam and start the process over.**
  - C. They may automatically renew if they complete CE.**
  - D. They can apply for an extension.**
- 4. Who appoints the members of the Georgia Real Estate Commission?**
  - A. The Secretary of State**
  - B. The Governor of Georgia**
  - C. The Attorney General**
  - D. The State Legislature**
- 5. What is a common result of a citation issuance in real estate law?**
  - A. Immediate revocation of license**
  - B. Permanent listing on a public record**
  - C. Fines and possible administrative action**
  - D. No impact on the license status**

- 6. What is a written contract between a consumer and a broker called, where the consumer becomes the broker's client?**
- A. Brokerage Agreement**
  - B. Brokerage Engagement**
  - C. Sales Contract**
  - D. Client Agreement**
- 7. How many additional hours of continuing education must be completed in the three years before license renewal?**
- A. 25 hours**
  - B. 30 hours**
  - C. 20 hours**
  - D. 27 hours**
- 8. If a licensee wants to spread continuing education hours over the period that a license is valid, how many hours should they complete each year?**
- A. 12**
  - B. 9**
  - C. 10**
  - D. 15**
- 9. What constitutes a blind advertisement in real estate marketing?**
- A. An ad that includes exaggerated claims**
  - B. Any ad that lacks property specifics**
  - C. An ad without proper disclosures**
  - D. An ad targeting a specific demographic**
- 10. A broker who chooses to work as a salesperson for another broker is referred to as a?**
- A. Salesperson**
  - B. Client**
  - C. Associate Broker**
  - D. Inactive Broker**



## **Answers**

1. B
2. C
3. B
4. B
5. C
6. B
7. D
8. B
9. C
10. C

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## **Explanations**

**1. When must a brokerage notify the commission about the establishment of a trust fund account?**

- A. Immediately upon creation**
- B. Within 30 days of establishment**
- C. Before opening the account**
- D. Only if requested by the commission**

The requirement for a brokerage to notify the commission about the establishment of a trust fund account is within 30 days of establishment. This timeframe allows the brokerage to set up the necessary financial structures for managing client funds while also ensuring that the commission is kept informed in a timely manner about accounts that hold trust funds. This process is essential for maintaining regulatory compliance and protecting consumer interests. The rationale behind this policy is to ensure transparency and accountability in how client funds are handled, which is critical in real estate transactions. Real estate professionals are entrusted with significant amounts of money, and the commission needs to monitor these accounts to prevent mismanagement or fraudulent activities. While establishing the account is crucial, the immediate notification requirement serves to uphold a standard of communication and oversight without placing undue burden on the brokerage. The other options suggest either notifying prior to establishing the account or only in specific circumstances, which does not align with the established regulations requiring proactive reporting within a specified period after the account has been created.

**2. Who appoints the members of the Georgia Real Estate Commission?**

- A. The public, by election**
- B. GREC**
- C. The Georgia governor**
- D. Georgia Senate**

The members of the Georgia Real Estate Commission (GREC) are appointed by the Georgia governor. This process is significant because it ensures that the commission is composed of individuals who are selected based on their qualifications and understanding of the state's real estate laws and regulations. The governor's role in this appointment process adds a level of oversight and accountability, as these appointees are expected to uphold the standards of the real estate profession and act in the best interest of the public. The appointment process reflects a broader principle in regulatory frameworks where the executive branch of the state government is entrusted with the responsibility of appointing individuals to key regulatory bodies. These appointees operate in a manner that is consistent with the policies and governance goals set forth by the state while also ensuring compliance with established laws.

**3. What must a licensee do if their license has lapsed for more than five years?**

**A. They can reinstate with a fee.**

**B. They must retake the licensing exam and start the process over.**

**C. They may automatically renew if they complete CE.**

**D. They can apply for an extension.**

If a real estate license has lapsed for more than five years, the requirement for reinstatement is to retake the licensing exam and start the licensing process over again. This stipulation is in place to ensure that practitioners are up to date with current laws, regulations, and practices in the real estate industry. When a license lapses for an extended period, it is recognized that the individual may not have maintained the necessary knowledge and skills required for effective practice. This measure serves both to protect the public and to promote competency in the real estate field. By requiring individuals to retake the exam, it ensures they are fully informed about current practices, relevant legal obligations, and industry standards, which may have changed significantly during their time away from active practice. In contrast, options that suggest simpler renewal processes, such as just paying a fee or completing continuing education, are not applicable in this scenario due to the length of the lapse in licensure.

**4. Who appoints the members of the Georgia Real Estate Commission?**

**A. The Secretary of State**

**B. The Governor of Georgia**

**C. The Attorney General**

**D. The State Legislature**

The members of the Georgia Real Estate Commission are appointed by the Governor of Georgia. This process ensures that the commission is composed of individuals who have been selected for their knowledge and experience in real estate matters, aligning with the state's regulatory needs. The Governor's authority to make these appointments reflects a system of oversight and accountability, as the commission plays a crucial role in the regulation of real estate practices within Georgia, helping to protect the interests of the public and maintain industry standards. The involvement of the Governor also underscores the importance of the commission in upholding the integrity of real estate transactions and the professional conduct of licensees in the state.

**5. What is a common result of a citation issuance in real estate law?**

- A. Immediate revocation of license**
- B. Permanent listing on a public record**
- C. Fines and possible administrative action**
- D. No impact on the license status**

Issuance of a citation in real estate law typically results in fines and may lead to administrative actions. This is a common procedure used by regulatory bodies to address violations without immediately resorting to more severe penalties, such as license revocation. The citation serves as a formal notification that the licensee has committed a breach of regulations, and compliance measures or payments may be necessary to resolve the situation. While citations can indicate a serious issue, they do not necessarily lead to immediate revocation of a license or a permanent negative record, which are generally outcomes of more severe violations or repeated infractions. Instead, the focus is often on rectifying the issue and ensuring compliance with the law. Therefore, fines and administrative measures aimed at correcting behavior are the primary consequences of a citation. This method allows regulatory bodies to enforce the law while also providing opportunities for licensees to correct their actions and maintain their professional standing.

**6. What is a written contract between a consumer and a broker called, where the consumer becomes the broker's client?**

- A. Brokerage Agreement**
- B. Brokerage Engagement**
- C. Sales Contract**
- D. Client Agreement**

A written contract that establishes a formal relationship between a consumer and a broker, where the consumer becomes the client of the broker, is referred to as a Brokerage Engagement. This terminology refers to the act of engaging the broker's services for a particular purpose, typically related to the buying or selling of real estate. In this context, the Brokerage Engagement clearly outlines the responsibilities, obligations, and expectations of both parties involved—the broker and the client. It establishes the basis on which the broker will act on behalf of the client and provides a legal framework for the brokerage relationship. This contract is crucial for ensuring that both the broker and consumer understand their roles, the services to be provided, and any compensation involved. It's important to differentiate this from other types of agreements that do not specifically create this client-broker relationship. For example, a Brokerage Agreement often refers more broadly to the terms of service or operational aspects of the brokerage but may not necessarily imply a client relationship in the same way. Similarly, a Sales Contract pertains specifically to the transaction of property rather than the engagement of the broker's services, while a Client Agreement might be used in various professional contexts without the specific emphasis on real estate brokerage.

**7. How many additional hours of continuing education must be completed in the three years before license renewal?**

- A. 25 hours**
- B. 30 hours**
- C. 20 hours**
- D. 27 hours**

In Georgia, licensed real estate professionals are required to complete continuing education to ensure they remain informed about industry changes, legal updates, and best practices. The requirement for license renewal is set at 36 hours of continuing education within the three years preceding the renewal date. Out of these, there is a mandatory coursework component commonly stated as 27 hours, which includes specific topics required by the Georgia Real Estate Commission. This means that the option stating 27 hours accurately reflects the state's continuing education requirement, emphasizing that a significant portion of the education is focused and structured to maintain high standards within the real estate profession. The remaining hours can be filled with elective courses that might not be directly mandated but are useful for professional development. Understanding this requirement is crucial for real estate professionals to successfully maintain their license and be aware of their obligations to their clients and the public, further solidifying the importance of ongoing education in the field.

**8. If a licensee wants to spread continuing education hours over the period that a license is valid, how many hours should they complete each year?**

- A. 12**
- B. 9**
- C. 10**
- D. 15**

In Georgia, real estate licensees are required to complete a total of 36 hours of continuing education during each renewal period, which spans four years. To determine how many hours should be completed each year, simply divide the total required hours by the number of years in the renewal period. When you divide 36 hours by 4 years, the result is 9 hours per year. This allows licensees to spread their education requirements evenly throughout the license validity period, ensuring they stay up to date with industry standards and practices without needing to complete all the hours in a single year. Choosing 9 as the answer reflects a strategic approach to managing continuing education, allowing licensees to steadily accumulate the necessary hours rather than risking a last-minute rush to fulfill the requirement before the renewal deadline.

**9. What constitutes a blind advertisement in real estate marketing?**

- A. An ad that includes exaggerated claims**
- B. Any ad that lacks property specifics**
- C. An ad without proper disclosures**
- D. An ad targeting a specific demographic**

A blind advertisement in real estate marketing refers to an ad that lacks proper disclosures, making it difficult for consumers to identify the real estate professional or brokerage responsible for the advertisement. When a real estate advertisement does not include the name of the broker or the brokerage, or fails to disclose essential information about the agent representing the listing, it creates a situation where consumers cannot determine who to contact or hold accountable for the advertised property. This lack of transparency is what defines a blind advertisement, as it obscures the identity of the person or entity behind the ad. Having proper disclosures is critical in real estate advertising because it fosters trust and ensures compliance with legal regulations. Real estate laws are designed to protect consumers, and clear identification of the broker helps in maintaining ethical standards within the industry. In contrast, while exaggerated claims, lack of property specifics, or targeted demographics may raise concerns or issues, they do not meet the specific definition of a blind advertisement in the same way. The primary concern with blind advertisements is the absence of proper identification and disclosure, which is essential for consumer protection in real estate transactions.

**10. A broker who chooses to work as a salesperson for another broker is referred to as a?**

- A. Salesperson**
- B. Client**
- C. Associate Broker**
- D. Inactive Broker**

When a broker decides to work as a salesperson for another broker, they are categorized as an associate broker. This term indicates that the individual holds a broker's license but is operating under the supervision of another broker. The relationship reflects a level of professionalism and acknowledges their qualification, while also denoting that they have chosen to function as a salesperson within another broker's firm. In contrast, a salesperson is an individual typically licensed to represent buyers and sellers but does not have a broker license. This distinction underscores the advanced level of education and experience required for someone with a broker's license. Meanwhile, referring to the individual as a client would not apply, as clients are those who seek the services of real estate professionals, not those providing services. An inactive broker simply refers to a broker who is not currently engaging in real estate activities. This does not accurately capture the scenario described, where the broker remains active within the real estate market but has chosen to work under another broker's firm. Thus, "associate broker" is the appropriate designation for a broker acting in the capacity of a salesperson under another's management.



## Next Steps

**Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.**

**As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.**

**If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at [hello@examzify.com](mailto:hello@examzify.com).**

**Or visit your dedicated course page for more study tools and resources:**

**<https://gerogiarealestatelaw.examzify.com>**

**We wish you the very best on your exam journey. You've got this!**